

UNCLASSIFIED

PTQ4702

PAGE 01 MEXICO 01357 01 OF 02 181943Z

ACTION OES-00

INFO	LOG-00	NP-00	AID-00	AMAD-00	A-00	CG-00	CIAE-00
	CIP-00	COME-00	CTME-00	DINT-00	DODE-00	DOEE-00	ITCE-00
	DOTE-00	WHA-00	SRPP-00	EB-00	E-00	UTED-00	FMC-01
	VC-00	TEDE-00	INR-00	IO-00	ITC-01	L-00	VCE-00
	NASA-01	AC-01	NSAE-00	NSCE-00	NSF-01	OIC-02	OMB-01
	PM-00	PRS-00	ACE-00	SCT-00	SP-00	SSO-00	SS-00
	STR-00	TEST-00	TRSE-00	T-00	USIE-00	EPAE-00	PMB-00
	PRM-00	DRL-01	G-00	NFAT-00	SAS-00	/009W	

-----37C5D3 181943Z /38

R 181943Z FEB 03

FM AMEMBASSY MEXICO

TO SECSTATE WASHDC 5126

EPA WASHDC

DOT WASHDC

TRANSFERRED/RECOMMEND RELEASE CONCURRENCE REQUESTED - EPA

UNCLAS SECTION 01 OF 02 MEXICO 001357

DEPT PASS TO OES/ENV - J.GOURLEY

EPA FOR OECA, OSWER AND OIA

DOT FOR MARAD

SENSITIVE

E.O. 12958: N/A

TAGS: SENV, EIND, ETTC, EWWT, MX

SUBJECT: USG AND GOM DISCUSS SHIP-SCRAPPING CAPABILITIES IN
MEXICO

UNCLASSIFIED

PAGE 02 MEXICO 01357 01 OF 02 181943Z

REF: (A) 02 STATE 263241

(B) STATE 13450

(C) MEXICO 601

(D) STATE 25244

SENSITIVE BUT UNCLASSIFIED - PLEASE HANDLE ACCORDINGLY.

SUMMARY

1. (SBU) USG APPROACHED GOM (SECRETARIAT OF THE ENVIRONMENT
AND SECRETARIAT OF TRANSPORTATION AND COMMUNICATION) ON THE

POSSIBILITY OF A COMMERCIAL AGREEMENT TO RECYCLE USG-OWNED
SEA-GOING VESSELS THAT ARE NO LONGER OPERABLE.

2. (U) THE USG HIGHLIGHTED THE ECONOMIC BENEFITS TO BOTH THE
US AND MEXICAN GOVERNMENTS OF SUCH AN ARRANGEMENT. GOM
OFFICIALS EXPRESSED SUPPORT AND OFFERED COOPERATION TO
ACCOMPLISH THIS, STATING THE ECONOMIC BENEFITS THAT COULD
ACCUE TO MEXICAN WORKERS AND COMPANIES. GOM SUPPORT WAS
QUALIFIED WITH THE UNDERSTANDING THAT PRIVATE PARTIES IN
MEXICO WOULD PARTICIPATE IN ANY COMMERCIAL AGREEMENT. GOM
THEREFORE OFFERED SUPPORT TO THE USG TO AID IN FINDING
APPROPRIATE PRIVATE ENTITIES TO DO BUSINESS WITH, AND
NECESSARY ADMINISTRATIVE SUPPORT IF COMMERCIAL AGREEMENTS
ARE REACHED.

3. (U) USG AND GOM AGREED ON THE NEED TO ADDRESS KEY
ENVIRONMENTAL ISSUES, AND GOM EXPRESSED SOME CONFIDENCE THAT
ENVIRONMENTAL ISSUES COULD BE MANAGED. GOM MADE PARTICULAR
UNCLASSIFIED

PAGE 03 MEXICO 01357 01 OF 02 181943Z
MENTION OF ASSURING ENVIRONMENTAL SAFETY, AND COMMUNICATING
RISKS AND SAFEGUARDS TO THE MEXICAN PUBLIC.

BACKGROUND

4. (U) THE USG MARITIME ADMINISTRATION (DOT/MARAD) HAS OVER
100 SHIPS IN STORAGE THAT ARE NO LONGER IN USE, AND REQUIRE
APPROPRIATE RECYCLING AND DISPOSAL. THE INVENTORY OF SHIPS
IS BEYOND THE CURRENT SHORT-TERM SCRAPPING/RECYCLING
CAPACITY OF THE US INDUSTRY. US COST OF PROCESS ALSO
PROHIBITS RAPID DISPOSAL OF THE SHIPS DUE TO APPROPRIATION
CONSTRAINTS IN THE MARAD BUDGET.

5. (U) OVER TIME, SOME OF THE SHIP'S PARTS HAVE BECOME
CONTAMINATED WITH PCBS. YET THE US TOXIC SUBSTANCES CONTROL
ACT (TSCA), SECTION 6E BANS THE EXPORT OF PCBS TO COUNTRIES
OUTSIDE THE UNITED STATES. THE ACT DOES, HOWEVER, ALLOW THE
US EPA, OFFICE OF ENFORCEMENT AND COMPLIANCE (OECA), TO
APPROVE ANY EXPORTATION GIVEN THE ABILITY OF INTERNATIONAL
FACILITIES TO SAFELY MANAGE THE WASTE.

6. (SBU) GIVEN THE INVOLVEMENT OF THE US EPA/OECA, MARAD IS
PURSUING EXPRESSED INTEREST INSIDE GOM TO MANAGE THE SHIPS
IN MEXICO, AN INTEREST THAT SURFACED DURING THE BINATIONAL
COMMISSION MEETING IN NOVEMBER 2002.

7. (U) ON FEBRUARY 4, 2003 THE US ENVIRONMENTAL PROTECTION

AGENCY (EPA) ATTACHE, ONE OFFICIAL FROM EPA'S OFFICE OF
ENVIRONMENTAL COMPLIANCE AND ASSISTANCE (OECA) AND ONE FROM
UNCLASSIFIED

PAGE 04 MEXICO 01357 01 OF 02 181943Z
EPA'S OFFICE OF SOLID WASTE (OSWER), AND TWO DOT/MARAD
OFFICIALS MET WITH MEXICAN SECRETARIAT OF ENVIRONMENTAL AND
NATURAL RESOURCES (SEMARNAT) OFFICIALS IN THE DIVISION OF
ENVIRONMENTAL PROTECTION AND WITH OFFICIALS FROM MEXICO'S
SECRETARIAT OF TRANSPORTATION AND COMMUNICATIONS (SCT),
DIVISION OF PORTS AND THE MERCHANT MARINE.

MEETINGS WITH SEMARNAT

8. (U) RESPONSE FROM GOM WAS POSITIVE ON MOST ISSUES.
SEMARNAT RESPONDED THAT CURRENT CAPACITY TO HANDLE HAZARDOUS
CONSTITUENTS INTEGRAL TO THE SHIPS WAS PROBABLY ADEQUATE.
SEMARNAT HAS PERMITTED FIVE DOMESTIC COMPANIES TO HANDLE PCB-
LADEN WASTE. THREE SUCH COMPANIES HAVE THE ABILITY AND
AUTHORIZATION TO CHEMICALLY TREAT PCB-WASTE, WHILE TWO
OTHERS MAY HANDLE AND EXPORT FOR DISPOSAL AT OTHER
FACILITIES. TWO COMPANIES ARE AUTHORIZED TO GO ON-SITE TO
EXTRACT PCB-LADEN MATERIAL AND TRANSPORT TO TREATMENT IF
NECESSARY. NONE OF THE FIVE IS PERMITTED TO INCINERATE PCB-
LADEN MATERIAL.

9. (U) THE MARITIME ADMINISTRATION INDICATED NO LIQUID WASTE
WOULD BE IN THE SHIPS, OR LIQUID PCB MATERIALS. ALL PCB-

UNCLASSIFIED

UNCLASSIFIED

PTQ4704

PAGE 01 MEXICO 01357 02 OF 02 181943Z
ACTION OES-00

INFO	LOG-00	NP-00	AID-00	AMAD-00	CG-00	CIAE-00	CIP-00
	COME-00	CTME-00	DINT-00	DODE-00	DOEE-00	ITCE-00	DOTE-00
	WHA-00	SRPP-00	EB-00	E-00	UTED-00	FMC-01	VC-00
	TEDE-00	INR-00	IO-00	ITC-01	L-00	VCE-00	NASA-01
	AC-01	NSAE-00	NSCE-00	NSF-01	OIC-02	OMB-01	PM-00
	PRS-00	ACE-00	SCT-00	SP-00	IRM-00	SSO-00	SS-00
	STR-00	TEST-00	TRSE-00	T-00	USIE-00	EPAE-00	PMB-00
	DRL-01	G-00	NFAT-00	SAS-00	/009W		

-----37C5D6 181944Z /38

R 181943Z FEB 03
FM AMEMBASSY MEXICO
TO SECSTATE WASHDC 5127

EPA WASHDC
DOT WASHDC

UNCLAS SECTION 02 OF 02 MEXICO 001357

DEPT PASS TO OES/ENV - J.GOURLEY
EPA FOR OECA, OSWER AND OIA
DOT FOR MARAD

SENSITIVE

E.O. 12958: N/A
TAGS: SENV, EIND, ETTT, EWWT, MX
SUBJECT: USG AND GOM DISCUSS SHIP-SCRAPPING CAPABILITIES IN
MEXICO

UNCLASSIFIED

PAGE 02 MEXICO 01357 02 OF 02 181943Z
BEARING SUBSTANCES WOULD BE HARD FIXTURES WITH PCB
CONTAMINATION. OTHER HAZARDOUS CONSTITUENTS THAT COULD BE
FOUND IN SMALL AMOUNTS ARE HEAVY METALS AND MERCURY FROM
WIRING, DIODES, GAUGES, AND SWITCHES. ASBESTOS INSULATION
WOULD ALSO BE A CONCERN.

MEETINGS WITH SCT

10. (SBU) SCT EXPRESSED OVERWHELMING SUPPORT FOR THE
CONCEPT, BUT EXPRESSED CONCERN THAT ENVIRONMENTAL ISSUES HAD
THE ABILITY TO SCUTTLE ANY ARRANGEMENT. SCT SAID THAT, EVEN
IN THE EVENT ALL MATTERS WERE HANDLED LEGALLY, PUBLIC
OPPOSITION COULD PREVENT ARRANGEMENT DUE TO FEAR OF
HAZARDOUS WASTE HANDLING AND THE APPEARANCE OF THE USG USING
MEXICO AS HAZARDOUS WASTE DISPOSAL SITE. THEY ALSO
EXPRESSED ENTHUSIASM FOR THE ECONOMIC OPPORTUNITY, AND
OFFERED ALL LEGAL HELP TO THE USG TO PURSUE THE OPPORTUNITY.

NEXT STEPS

11. (U) GOM WILL PROVIDE A LIST OF INTERESTED PRIVATE
ENTITIES, AND PUBLIC PORT FACILITIES, WITH EXPRESSED OR
ANTICIPATED INTEREST IN THE CONCEPT. GOM PROVIDED ASSURANCE
OF TOP-LEVEL COLLABORATION TO SCOPE AND ADVANCE THE CONCEPT
WITH GOM SECRETARIATS.

12. (SBU) USG PROVIDED A COMPLETE LIST OF INVENTORY TO BE

UNCLASSIFIED

PAGE 03 MEXICO 01357 02 OF 02 181943Z
SCRAPPED. EPA EXPRESSED SUPPORT, IN GENERAL, PROVIDED EPA
COULD ACCOMPANY SEMARNAT OR PROFEPA ON INITIAL SITE VISITS
TO PCB HANDLING AND PORT FACILITIES TO VERIFY IN PERSON
THEIR ABILITY TO SCRAP SHIPS. EPA/OECA SAID WAIVER OF TSCA
ISSUE IS POSSIBLE. EPA/OSWER EXPRESSED TENTATIVE SUPPORT,
STATING THAT THE PROCESS WOULD HAVE TO RECONCILE WITH THE
RESOURCE CONSERVATION RECOVERY ACT'S (RCRA) RECYCLING
EXEMPTION FOR HANDLING OF WHAT WOULD OTHERWISE BE HAZARDOUS
WASTE. AGAIN, EPA MUST PERFORM AN INITIAL SITE VISIT TO
OBTAIN FIRST-HAND OBSERVATION OF PCB-HANDLING CAPACITY IN
THESE OPERATIONS. THIS WILL ALLOW EPA TO MINIMIZE THE RISK
THAT EPA WOULD GRANT A WAIVER FOR WASTE MANAGEMENT
OPERATIONS THAT DO NOT MEET MEXICAN OR INTERNATIONAL
STANDARDS.

13. (U) MARAD AND DOT WERE INVITED BACK BY MR. AVILA
CAMBEROS (SCT) TO ATTEND AN INTER-AGENCY MEETING OF
SECRETARIES IN MARCH IN ORDER TO OPEN DISCUSSION WITH ALL
MEXICAN SECRETARIATS WHO WOULD BE INVOLVED IN THE PROCESS.
THE EMBASSY IS CURRENTLY TRYING TO ASCERTAIN DETAILS OF THE
MARCH INTERAGENCY MEETING.

GARZA

UNCLASSIFIED

<< END OF DOCUMENT >>

